

**GOVERNMENT OF INDIA
WATER RESOURCES, RIVER DEVELOPMENT AND GANAGA REJUVENATION
LOK SABHA**

UNSTARRED QUESTION NO:3169

ANSWERED ON:17.12.2015

Assistance under AIBP

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Will the Minister of WATER RESOURCES, RIVER DEVELOPMENT AND GANAGA REJUVENATION be pleased to state:

- (a) the criteria laid down for grant of financial assistance including terms of funding and the mode of disbursement for projects under the Accelerated Irrigation Benefits Programme (AIBP);
- (b) the current status of ongoing irrigation projects as well as projects taken up under AIBP along with the funds allocated/released/utilised during the last three years, State/UT-wise;
- (c) whether the Government is satisfied with the pace of progress of projects/works under AIBP, if so, the details thereof, if not, the reasons therefor and the steps taken to expedite them;
- (d) the mechanism put in place for physical and financial monitoring of the projects under AIBP; and
- (e) whether the Government has received requests from States including Maharashtra for financial assistance under AIBP during the said period and to review AIBP norms for grant of assistance to various categorised areas thereunder, if so, the details thereof and the follow-up action taken by the Government thereon?

Answer

THE HON"BLE MINISTER OF STATE FOR WATER RESOURCES, RIVER DEVELOPMENT AND GANGA REJUVENATION (PROF. SANWAR LAL JAT)

(a) & (b) The criteria laid down for grant of financial assistance including terms of funding and the mode of disbursement for projects under the Accelerated Irrigation Benefits Programme (AIBP) is at Annexure-I. The status of release in last three years for ongoing projects under AIBP is at Annexure-II.

(c) & (d) The pace of the progress of projects was affected by the reduction in the funds availability as well as issues related to land acquisition. The MoWR,RD&GR has identified 23 priority projects and funds have been made available to complete these projects by 2017. Central Water Commission has been assigned the responsibility to comprehensively monitoring the projects receiving Central Assistance. Selected minor surface water irrigation projects receiving Central Assistance are also monitored by CWC. As a part of AIBP monitoring, the projects are inspected and the status reports are prepared and issued to all concerned. The recommendations of CWC form the basis for release of funds by this Ministry.

(e) Yes Madam, after processing the proposals from various State Governments Central Assistance (CA) has been released to various States including Maharashtra as indicated in Annexure-I. Various suggestions from State Governments were received on modification of XII Plan guidelines of AIBP. Based on these suggestions, the guidelines have been refined, to Freeze the cost of ongoing projects at the time of inclusion of the Project in the AIBP; permit cost escalation by a maximum of 20%; and ensure Parri-Passu implementation of AIBP & CADWM in a timely manner.

Annexure-I

Annexure referred to in reply to part (a) of the unstarred question No.3169 due for answer on 17.12.2015 in Lok Sabha regarding Assistance under AIBP

The Union Government launched Accelerated Irrigation Benefits Programme (AIBP) in 1996-97 for providing financial assistance to States, with an objective of expediting completion of ongoing Major/Medium including Extension, Renovation and Modernization (ERM) irrigation projects and Surface Minor Irrigation schemes. The guidelines for such scheme are being revised from time to time in order to widen the scope of funding as well as to allow special consideration for the regions lagging behind in development, which presently include north-eastern states, hilly states, drought prone and tribal areas, KBK districts of Orissa, states with lower irrigation development as compared to national average and districts identified under PM package for agrarian distressed districts in the states of Andhra Pradesh, Maharashtra, Karnataka and Kerala.

At present, As per the latest modifications in AIBP guidelines made in October, 2013, the projects which are in an advanced stage of construction and can be completed within a period of 4 years after their inclusion in AIBP and are fulfilling other eligibility criteria are provided Central Assistance (CA). The eligibility criteria for inclusion of project for assistance under the programme are as follows:

For Major/Medium projects;

- 1) The project must have investment clearance of Planning commission,
- 2) Project is in 'advance stage of construction' and could be completed in next 4 financial years and
- 3) Project or component of the project proposed for AIBP is not receiving any other form of financial assistance
- 4) An ongoing major/ medium project can be included in AIBP on completion of an ongoing project under AIBP on one to one basis
- 5) The following category of projects could be included in AIBP in relaxation of one to one criteria stated above :

- a. Projects benefiting Drought Prone Area(DPA)/Desert Prone Area(DDP)/ Tribal areas
- b. Projects in states having irrigation development below National Average
- c. Projects in the districts identified under PM package for agrarian distressed districts in the states of Andhra Pradesh, Maharashtra, Karnataka and Kerala.

Advance stage of construction imply that the projects which are have more than 50% physical progress of major components and 50% financial progress as per latest approved estimated cost.

For ERM projects;

- 1) Projects having investment clearance of Planning commission.
- 2) Projects already completed and commissioned atleast 10 years earlier from the proposed year of inclusion under AIBP and Inclusion may be permitted in the states/projects
 - (i) Which have agreed to reform in water sector i.e. to implement Micro Irrigation in at least 10% of command area.
 - OR
 - (ii) Which have enacted Participatory Irrigation Management legislation and active working of Water User Association to maintain the system and collecting water cess.
 - OR
 - (iii) Where new potential is also envisaged along with restoration of lost potential.
 - OR
 - (iv) CAD works have been completed or taken up and likely to be completed.

Surface minor irrigation (MI) schemes

Surface minor irrigation (MI) schemes (both new as well as on-going) of Special category states -North-Eastern states, Hilly states (Himachal Pradesh, Jammu and Kashmir and Uttarakhand) and drought prone undivided Koraput, Bolangir and Kalahandi (KBK) districts of Odisha which are approved by State TAC will be eligible for assistance under the programme provided that (i) individual schemes have Culturable Command Area (CCA) of 10 hectare and cluster of MI schemes within radius of 5 Km having CCA of 20 hectare (ii) proposed MI schemes have benefit cost ratio of more than 1 and (iii) the development cost per hectare of CCA of individual scheme is less than Rs.2.5 lakh.

For Non-special category states, the individual surface minor irrigation schemes having CCA of 20 hectare and cluster of MI schemes within radius of 5 km. having total CCA of 50 hectare benefitting tribal areas, drought prone areas, desert prone areas and Left Wing Extremists Affected area are eligible for assistance under AIBP.

Terms of Funding

It may be noted that the funding pattern are subject to revision with reference to new order of Ministry of Finance regarding changes in funding pattern of various centrally sponsored schemes (Annexure-I (A)).

Mode of Disbursement;

As per operational guidelines of PMKSY funds are to be released as follows:-

60% of the PMKSY annual allocation will be released as first installment to the State, upon the receipt of the minutes of SLSC approving implementation of new projects and/or continuation of ongoing projects during the financial year alongwith lists of projects approved. Release of funds will be made by the respective Ministry/department for the specific component. The concerned implementation ministries/department will be responsible to ensure receipt of utilisation certificate and corresponding physical and financial progress while releasing the funds for the specific component. The utilisation certificate is to be submitted by the respective implementing department /agency in the state.

In case, total cost of approved project is less than annual outlay, funds to the tune of 60% of approved project cost will be released.

Release of the second and final installment would be considered on receipt of the following:

- (a) More than 90% Utilization Certificates (UCs) for the funds released upto previous financial year;
- (b) Utilisation Certificates (UCs) of at least 50% of funds released in first installment during current year; and
- (c) Performance report in terms of physical and financial achievements as well as outcomes, within the stipulated time frame in specified format.

Change in funding pattern of Centrally Sponsored Schemes

In pursuance of the Ministry of Finance Orders of the 28th October, 2015 the following changes have been introduced in the funding pattern of Centrally Sponsored Schemes with respect to PMKSY:

1. The funding of the PMKSY will be shared 60:40 between the Centre and the States (90:10 for the 8 NE States and 3 Himalayan States). As some components of PMKSY have a central funding pattern less than the level mentioned above, the existing funding pattern will continue. Accordingly, the funding pattern for AIBP will be changed as follows:-

Central Assistance (CA) is in the form of central grant and Major/Medium Irrigation projects are eligible for;

- i. On-going and new projects benefiting the non-Special Category States may continue to be provided Central Assistance at 25% of the cost apportionable to irrigation and drinking water components. However, the quantum of Central Assistance could be enhanced upto 50% as an incentive for new projects subject to the condition that the States actually carry out water sector reforms" as per the reform benchmarks to be laid down by the Ministry of Water Resources in due course.
- ii. For ongoing projects in Special areas of Non-special Category States, the Central Assistance under AIBP will be 60% of the cost of the project (work component) for eligible irrigation projects
- iii. For new projects in Special areas(benefitting Drought prone areas, Tribal areas, Flood Prone Area) of Non-special Category States, the Central Assistance under AIBP will be 60% of the cost of the project (work component) for eligible irrigation projects
- iv. Ongoing projects benefiting 8 NE States and 3 Himalayan States may continue to be eligible for 90% Central Assistance.
- v. For new projects in 8 NE States and 3 Himalayan States, the Central Assistance under AIBP will be 90% of the cost of the project (work component) for eligible Irrigation projects.
- vi. For the purpose of determining the quantum of assistance, a project benefiting Desert Development Programme (DDP) area/Desert Prone Area will be treated on a par with those benefiting DPAP areas and the new projects will be eligible for Central Assistance @ 60% for projects in Non-Special Category States.

The DDP areas is as identified by the Ministry of Rural Development in their published documents. The ongoing projects already under AIBP and benefiting Desert Development Programme (DDP) /Desert Prone Area will continue to get Central Assistance @ 25%

Till finalization of reform benchmarks by MOWR, following measures will be considered as water reforms 1) Measurement on volumetric basis, 2) participatory Irrigation Management, 3) Active working of Water User Association, 4) Micro Irrigation, 5) Collection at water cess by Water User Association, and 6) Maintenance by Water User Association. With implementation of any three of the above, the State Government will become eligible for enhanced funding.

The Special Areas for major/medium irrigation projects will denote DPAP areas, Tribal areas, Flood prone areas.

Surface minor irrigation (MI) schemes

- i. Ongoing schemes of Drought Prone Area Programme (DPAP)/Tribal Area (TA) of Non-Special Category States will get Central Assistance at the rate of 60 %.
- ii. Ongoing schemes benefiting 8 NE States and 3 Himalayan States may continue to be eligible for 90% Central Assistance.
- iii. For new projects in Special areas of Non-special Category States, the Central Assistance under AIBP will be 60% of the cost of the project (work component) for eligible irrigation projects
- iv. For new projects in 8 NE States and 3 Himalayan States, the Central Assistance under AIBP will be 90% of the cost of the project (work component) for eligible Irrigation projects.

The balance funds are to be arranged by the State Government from its own resources.
